GOVERNMENT OF INDIA
PLANNING
LOK SABHA

UNSTARRED QUESTION NO:5233
ANSWERED ON:30.04.2008
PROJECTED GROWTH RATE DURING ELEVENTH PLAN PERIOD
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Will the Minister of PLANNING be pleased to state:

(a) the projected economic growth-rate likely to be achieved during the Eleventh Five Year Plan; and

(b) the steps taken/proposed to be taken so far for the same in this regard?

Answer

MINISTER OF STATE IN THE MINISTRY OF PLANNING AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI V. NARAYANASAMY)

(a) : The Eleventh Five Year Plan has set the growth target for the economy at 9% per year for the Plan period (2007-12) and aims at putting the economy on a sustainable growth trajectory with a growth of approximately 10% by the end of its period.

(b) : In the Central Budget 2008-09, the Plan expenditure in 2008-09 (BE) has been increased by 17.3% compared to that of 2007-08 (RE). In the Central Budget 2008-09, substantial increase has been made in the allocation for Bharat Nirman, which addresses gaps in rural infrastructure and covers irrigation, road connectivity, housing, water supply, electrification and telephony. Significant step up in the allocations for rural development as well as on education, health, and training and skill upgradation has also been made in the 2008-09 Central Budget. An investment rate to the tune of 36.7% during the Eleventh Plan period has been proposed with public investment at 8 per cent of GDP. The Eleventh Five Year Plan proposes a number of steps in different sectors to achieve targeted growth rate. Various strategic measures have been incorporated in the Eleventh Plan for accelerating the agricultural output. These include doubling the rate of growth of irrigated area, improving water management, scaling up of irrigation potential creation, rainwater harvesting, ground water recharge, watershed development, focus on soil quality, diversification into high value outputs with adequate measures to ensure food security, promote animal husbandry and fishery, easy access to credit and improving market linkages by ensuring rural connectivity. The new programmes in agriculture include Rashtriya Krishi Vikas Yojana, to incentivise State governments to prepare district level agricultural plans and National Food Security Mission to increase cereal and pulses production. For industry sector the Eleventh Plan emphsises on improving the infrastructure, skill development, greater credit flows to small scale units, etc. The investment in physical infrastructure is envisaged to increase from around 5 per cent of GDP in the base year of the Plan (2006-07) to 9 per cent of GDP by the end of the Plan period.